

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

New Cambria Post Office
New Cambria, KS 67470
(Doris McCall, Petitioner and
Raymond Brown, Intervenor)

Docket No. A2012-59

UNITED STATES POSTAL SERVICE COMMENTS REGARDING APPEAL
(January 3, 2012)

On November 7, 2011, the Postal Regulatory Commission (the “Commission”) received an appeal postmarked October 24, 2011, from postal customer Ms. Doris McCall (“Petitioner”) objecting to the discontinuance of the Post Office at New Cambria, Kansas (the “New Cambria Post Office”).¹ By means of Order No. 1000, dated November 28, 2011, the Commission docketed the letter, assigning PRC Docket No. A2012-59 as an appeal pursuant to 39 U.S.C. § 404(d). The administrative record was filed with the Commission on November 22, 2011. On December 22, 2011, Mr. Raymond Brown (“Intervenor”) filed a letter intervening in the current appeal.

The letters received by the Commission raise two issues: (1) the impact on the provision of postal services and (2) the impact on the community. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service’s statutory obligations and Commission precedent,² the Postal Service gave consideration to a number of other issues, including the calculation of

¹ This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

² See 39 U.S.C. 404(d)(2)(A).

economic savings expected to result from discontinuing the New Cambria Post Office and the impact upon postal employees. Accordingly, the determination to discontinue the New Cambria Post Office should be affirmed.

Background

The Final Determination To Close the New Cambria, KS Post Office and Establish Service by Rural Route Service ("Final Determination" or "FD"),³ as well as the administrative record, indicate that the New Cambria Post Office provided EAS-53 level service to 0 delivery customers, 33 Post Office Box or general delivery customers, and to retail customers from 8:15 a.m. to 12:00 p.m. Monday through Friday, and from 8:15 a.m. to 9:15 a.m. on Saturdays.⁴ The Postmaster of the New Cambria Post Office retired on June 1, 2009.⁵ Since the Postmaster vacancy arose, a non-career employee was installed as an officer-in-charge ("OIC") to operate the New Cambria Post Office. The employee serving as the OIC may be separated from the Postal Service, although attempts will be made to re-assign her to an authorized position.⁶ The average number of daily retail window transactions at the New Cambria Post Office is 3.8, accounting for 3.5 minutes of retail work. Revenue for the last three years has declined: \$17,210 in FY 2008; \$13,866 in FY 2009; and \$9,935 in FY 2010.⁷

³ The Final Determination can be found at Item 47 in the administrative record. All citations to the Final Determination will be to "FD at _," rather than to Item 47. The FD page number refers to the pages as marked on the upper right of the document. Other items in the administrative record are referred to as "Item _."

⁴ FD at 2; Item 18, Form 4920; Item 33, Proposal at 2; Item 41, Proposal (Revised) at 2

⁵ *Id.*

⁶ FD at 6; Item 15, Post Office Fact Sheet at 1; Item 33, Proposal at 7; Item 41, Proposal (Revised) at 7.

⁷ FD at 6-7; Item 18, Form 4920; Item 33, Proposal at 7; Item 41, Proposal (Revised) at 7.

Upon implementation of the Final Determination, delivery and retail services will continue to be provided by rural route service administered by the Salina Post Office,⁸ an EAS-22 level office, located 7.5 miles away, which has 2035 unassigned Post Office Boxes.⁹ Service will also be provided by cluster box units (CBUs) located in New Cambria.¹⁰

The Postal Service followed the proper procedures that led to the posting of the Final Determination. All issues raised by the customers of the New Cambria Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to all Post Office Box customers of the New Cambria Post Office.¹¹ Questionnaires were also available over the counter for retail customers at the New Cambria Post Office.¹² A letter by Daniel Taylor, Manager, Post Office Operations, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether operation of the New Cambria Post Office was warranted, and that effective and regular service could be provided through rural delivery and retail services available at the Salina Post Office.¹³ The letter invited

⁸ The Salina Post Office is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>

⁹ FD at 2; Item 18, Form 4920; Item 33, Proposal at 2; Item 41, Proposal (Revised) at 2.

¹⁰ FD at 2; Item 29, Proposal Checklist at 2; Item 33, Proposal at 2; Item 41, Proposal (Revised) at 2.

¹¹ Item 20, Questionnaire Instruction Letter.

¹² *Id.*

¹³ Item 21, Cover Letter for Questionnaire.

customers to complete and return a customer questionnaire and to express their opinions about the service that they were receiving and the effects of a possible change involving rural delivery. Twenty customers returned questionnaires, and the Postal Service responded.¹⁴ In addition, representatives from the Postal Service were available at the Peace Lutheran Parish Hall in New Cambria for a community meeting on April 16, 2011, to answer questions and provide information to customers.¹⁵ Twenty-eight customers attended.¹⁶ On April 6, 2011, the Postal Service received a petition with 52 signatures. Customers received formal notice of the Proposal and Final Determination through postings at the Salina Post Office. The Proposal was posted with an invitation for public comment at the New Cambria and Salina Post Offices for 60 days beginning July 20, 2011, and ending September 20, 2011.¹⁷

Two customers returned comments in response to the “Invitation for Comments” after the Proposal was posted.¹⁸ The Postal Service addressed those concerns in letters to the customers.¹⁹ The Final Determination was posted at the New Cambria and Salina Post Offices beginning on October 17, 2011 as confirmed by the round-dated Final Determination cover sheets that appear in the administrative record as Item 49. The Final Determination has been posted continuously since October 17, 2011 and thus no removal date exists. In light of

¹⁴ Item 22, Returned Questionnaires and Postal Service Response Letters; Item 23, Analysis of Questionnaires.

¹⁵ Item 26, Community Meeting Letter.

¹⁶ Item 24, Community Meeting Roster; Item 25, Community Meeting Analysis.

¹⁷ Item 31, Instructions to Post Proposal; Item 32, Invitation for Comments; Item 33, Proposal.

¹⁸ Item 34, Comment Form.

¹⁹ Item 38, Proposal Comments and Postal Service Response Letters.

the expiration of the Postmaster vacancy; minimal workload; declining revenue; the variety of delivery and retail options (including the convenience of rural delivery and retail service); minimal projected population, residential, commercial, or business growth in the area; minimal impact upon the community; and the expected financial savings, the Postal Service issued the Final Determination. Regular and effective postal services will continue to be provided to the New Cambria community in a cost-effective manner upon implementation of the final determination.

Analysis

Each of the issues raised by the Petitioner and Intervenor is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the New Cambria Post Office on postal services provided to New Cambria customers. The closing is premised upon providing regular and effective postal services to New Cambria customers.

Petitioner expresses specific concern regarding security of medication left in her mail box. This concern, in addition to others, were also raised by other New Cambria customers in response to questionnaires, at the community meeting, and in comments to the proposal.²⁰ These concerns were considered by the Postal Service alongside other issues pertaining to the impact of closing

²⁰ Item 22, Returned Questionnaires and Postal Service Response Letters; Item 25, Community Meeting Analysis; Item 38, Proposal Comments and Postal Service Response Letters.

the New Cambria Post Office upon the provision of postal services to New Cambria customers.²¹

Petitioner is concerned about the security of leaving medication in her mail box if she is gone for the day. The Postal Service explained that customers may place a lock on their mailboxes as long as the mailbox has a slot large enough to accommodate the customer's normal daily volume of mail.²² If the customer chooses to lock the mailbox, the Postal Service will not accept a key for and will not open the customer's mailbox.²³ Customers may also utilize CBUs to securely receive their mail, which provide a locked box for letters and a larger locked compartment for parcels.²⁴ Further, as part of the discontinuance process, a questionnaire was sent to the U.S. Postal Inspection Service concerning mail theft and vandalism in the New Cambria Post Office area.²⁵ Postal Inspection Service records indicate that there has not been any report of mail theft or vandalism of mailboxes in the area.²⁶ The Postal Service is vigilant to mail theft and vandalism and will provide services to New Cambria Post Office customers to help ensure mail security.

If the package is too large for the mail slot, the rural carrier will leave a Form 3849 informing the addressee that the carrier attempted to deliver a package that would not fit in the mailbox slot. The form indicates that the

²¹ FD at 2-6; Item 33, Proposal at 2-6; Item 41, Proposal (Revised) at 2-7.

²² FD at 2-3; Item 22, Returned Questionnaires and Postal Service Response Letters at 5; Item 23, Analysis of Questionnaires; Item 25, Community Meeting Analysis at 2; Item 33, Proposal at 2; Item 41, Proposal (Revised) at 2.

²³ *Id.*

²⁴ FD at 2; Item 33, Proposal at 2; Item 41, Proposal (Revised) at 2.

²⁵ Item 14, Inspection Service Vandalism Reports.

²⁶ *Id.*

package is available in the local post office to be retrieved by the customer or the addressee may attempt request redelivery.²⁷ The addressee is give the option to specify the date he or she would like the package to be delivered, may specify an alternate location, such as a porch, may change the redelivery address to his or her workplace (if the work location is in the same town), or may designate a friend, neighbor or family member to accept the package and the carrier will deliver the package to that individual (if the individual is in the same town).²⁸ The original addressee may also receive the package at the Salina Post Office during business hours or the addressee's designee may receive the item at the Salina Post Office, Monday through Saturday during business hours.²⁹ In sum, the Postal Service makes available several options for New Cambria Post Office customers that choose to utilize rural service and receive packages.

In addition, the loss of retail services and Post Office Boxes at New Cambria does not have a large impact on the quality of service provided by the Postal Service. As explained throughout the administrative record, rural carriers can perform many functions (at the same time that the carrier delivers the mail) that will avert the need to go to any Post Office, Salina or otherwise.³⁰

Carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes or cluster box units.³¹ Customers do not have to

²⁷ See Form 3849

²⁸ *Id.*

²⁹ *Id.*

³⁰ FD at 2-6 Item 33, Proposal at 2-6; Item 41, Proposal (Revised) at 2-6.

³¹ FD at 2-4; Item 22, Item 23, Analysis of Questionnaires; Item 33, Proposal at 2-4; Item 40, Analysis of 60-day Comments; Item 41, Proposal (Revised) at 2-4.

make a special trip to the Post Office for most services. Stamps by Mail and Money Order Application forms are available for customer convenience, and stamps are also available at many stores and gas stations, online at usps.com, or by calling 1-800-STAMP-24.³² Customers can also request special services, such as Certified, Registered, or Express Mail, Delivery Confirmation, Signature Confirmation, and COD from the carrier.³³ Further, most transactions do not require meeting the carrier at the mailbox.³⁴ Special provisions are made, on request, for hardship cases or special customer needs.³⁵

Upon the implementation of the Final Determination, delivery and retail services will continue to be provided by rural delivery emanating from the Salina Post Office. In addition to rural delivery, which is the recommended alternate service, customers may also receive postal services, including P.O. Box service, at the Salina Post Office, which is located 7.5 miles away. The window service hours of the Salina Post Office are from 7:30 a.m. to 5:30 p.m., Monday through Friday and from 9:00 a.m. to 12:00 p.m. on Saturdays.³⁶ Thus, the Postal Service has properly concluded that all New Cambria customers will continue to receive regular and effective service via rural service.

³² *Id.*

³³ FD at 5-6; Item 25, Community Meeting Analysis at 1; Item 33, Proposal at 5-6; Item 41, Proposal (Revised) at 5-6.

³⁴ FD at 3-6; Item 22, Item 23, Analysis of Questionnaires; Item 33, Proposal at 3-6; Item 40, Analysis of Comments; Item 41, Proposal (Revised) at 3-6.

³⁵ *Id.*

³⁶ FD at 2; Item 18, Form 4920; Item 33, Proposal at 2; Item 41, Proposal (Revised) at 2.

Effect on Community

The Postal Service is obligated to consider the effect of its decision to close the New Cambria Post Office upon the New Cambria community.³⁷ While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office.

New Cambria is an incorporated town located in Saline County. The community is administered politically by a mayor and council. Police protection is provided by the Saline County Sheriff. Fire protection is provided by the New Cambria Volunteer Fire Department.³⁸ The questionnaires completed by New Cambria customers indicate that, the community is comprised of retirees, farmers, and those who commute to work in nearby communities and work in local businesses.³⁹ The town has four businesses and one church.⁴⁰

The Postal Service determined that its customers could continue to receive effective postal services elsewhere. Communities generally require regular and effective postal services and these will continue to be provided to the New Cambria community.⁴¹ In addition, the Postal Service has concluded that

³⁷ 39 U.S.C. § 404(d)(2)(A)(i).

³⁸ FD at 6; Item 16, Community Fact Sheet; Item 33, Proposal at 6; Item 41, Proposal (Revised) at 6.

³⁹ See *generally* FD at 6; Item 16, Community Fact Sheet; Item 18, Form 4920; Item 33, Proposal at 6; Item 41, Proposal (Revised) at 6.

⁴⁰ FD at 6; Item 18, Form 4920; Item 33, Proposal at 6; Item 41, Proposal (Revised) at 6.

⁴¹ FD at 6; Item 33, Proposal at 6; Item 41, Proposal (Revised) at 6.

non-postal services provided by the New Cambria Post Office can be provided by the Salina Post Office.⁴²

Intervenor notes that his family has had a box at the New Cambria Post Office since the early 1900s and his family worked mail sacks on trains. The Postal Service appreciates Intervenor's observations and historical perspective of the New Cambria Post Office. Even though there will no longer be a physical Post Office in New Cambria, the Postal Service trusts that the historical significance of the new Cambria Post Office will continue through the efforts of Intervenor and the local community.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the New Cambria Post Office on the community served by the New Cambria Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural service would cost the Postal Service substantially less than maintaining the New Cambria Post Office and would still provide regular and effective service.⁴³ The estimated annual savings associated with discontinuing the New Cambria Post Office are \$19,496.⁴⁴ There is a one time cost of \$2500 incurred in relation to the construction of CBUs⁴⁵ and a one

⁴² *Id.*

⁴³ FD at 8; Item 21, Cover Letter for Questionnaire; Item 33, Proposal at 7; Item 41, Proposal (Revised) at 7.

⁴⁴ FD at 6-7; Item 29, Proposal Checklist at 2; Item 33, Proposal at 7; Item 41, Proposal (Revised) at 7.

⁴⁵ *Id.*

time cost of \$8400 to terminate the current lease. Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record and consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv).⁴⁶

The Postal Service determined that rural route service is more cost-effective than maintaining the New Cambria postal facility and postmaster position.⁴⁷ The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent.⁴⁸

Effect on Postal Employees

As documented in the record, the impact on postal employees is minimal. The Postmaster retired on June 1, 2009.⁴⁹ A non-career employee was installed as the temporary OIC. The non-career employee serving as the OIC may be separated from the Postal Service, although attempts will be made to reassign the employee to an authorized position at a nearby facility.⁵⁰ The record shows that no other employee would be affected by this closing.⁵¹ Therefore, in making the determination, the Postal Service considered the effect of the closing on the

⁴⁶ *Id.*

⁴⁷ FD at 8; Item 33, Proposal at 7; Item 41, Proposal (Revised) at 8.

⁴⁸ See 39 U.S.C. § 404(d)(2)(A)(iv).

⁴⁹ *Id.*

⁵⁰ FD at 6-7; Item 15, Post Office Fact Sheet at 1; Item 33, Proposal at 7; Item 41, Proposal (Revised) at 7.

⁵¹ *Id.*

employee at the New Cambria Post Office, consistent with its statutory obligations.⁵²

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the New Cambria Post Office on the provision of postal services and on the New Cambria community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to New Cambria customers.⁵³ The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accordance with the policies stated in 39 U.S.C. § 404(d)(2)(A).

⁵² See 39 U.S.C. § 404(d)(2)(A)(ii).

⁵³ FD at 7.

Accordingly, the Postal Service respectfully requests that the determination to close the New Cambria Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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